

May 20, 2011

Re: Kaiser Permanente Insurance Co.

State Tracking Numbers: PF-2011-00828, PF-2011-00829

Mr. Shekhter:

We have reviewed your submission to SERFF with respect to Kaiser's recent small-group medical expense filings. To continue with our review of this filing, we require additional information and responses to the following questions. Your responses should be in Excel where appropriate. Please submit your replies through SERFF. We appreciate your cooperation in this matter.

**10. Enrollment summary.** Provide total monthly member enrollment of all small group policies (including policies not covered by this filing) from 1/2006 forward by closed block and open block. Show separately enrollment for policies under the supervision of DMHC. Show historical sales and lapses.

**Response:**

Please see the accompanying "Question 10" Excel worksheet.

POS and PPO (including an OOA Indemnity plan) are the only two KPIC small group products regulated by CDI. DMHC regulates Tier 1 of POS (the HMO network.) There are no separate policies for this tier.

The New Sales and Lapse columns of the worksheet reflect the group level information. However, we do not have the group such information for KP Choice Solution (KPCS) plans. KPCS is structured as an exchange administrated by Choice Administrators. In our database, this exchange appears as one group.

The first KPIC small group PPO plan was introduced in Jun-06 within KPCS, while the first non-exchange PPO plan was launched in Jan-08. This is why the New Sales PPO column in the worksheet shows zeros until 2008 although the first PPO members appear in 2006. Also, please be advised that in some groups the employers provide POS and PPO options to the employees but none of the employees choose these options. Thus, New Sales and Lapses not necessarily impact membership counts.